



Stock Update

ICICI Prudential Asset Management Co. Ltd.

March 27, 2026



Industry	LTP	Recommendation	Base Case Fair Value	Bull Case Fair Value	Time Horizon
BFSI - AMC	Rs 2874	Buy in Rs 2840-2920 band and add on dips in Rs 2600-2650 band	Rs 3130	Rs 3335	4 quarters

BSE Code	544658
NSE Code	ICICIAMC
Bloomberg	ICICIAMC IN
CMP Mar 27, 2026	2874.2
Equity Capital (Rs Cr)	49.4
Face Value (Rs)	1.0
Equity Share O/S (Cr)	49.4
Market Cap (Rs Cr)	140,859
Adj. Book Value (Rs)	1462.9
Avg. 52 Wk Volumes	12,06,000
52 Week High	3193.0
52 Week Low	2530.0

Share holding Pattern % (Dec 2025)	
Promoters	87.6
Institutions	9.2
Non Institutions	3.2
Total	100.0



* Refer at the end for explanation on Risk Ratings

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Our Take:

ICICI Prudential Asset Management Company Limited (ICICIAMC) stands as one of India's pioneering and largest asset management firms, spearheading innovation in wealth creation since its inception in 1993 as a joint venture between ICICI Bank—one of India's foremost private sector banks—and Prudential plc, a global leader in financial services with roots in the UK. Headquartered in Mumbai, the company manages assets exceeding Rs 10 lakh crore (as of early 2026), serving over 2 crore investors through a diverse portfolio of equity, debt, hybrid, and solution-oriented mutual funds.

Renowned for its customer-centric approach, ICICI Prudential AMC offers tailored investment solutions like systematic investment plans (SIPs), index funds, and ESG-focused schemes, catering to retail, institutional, and high-net-worth individuals. It emphasizes transparency, robust risk management, and digital accessibility via platforms like iMobile and the PruBSNL app. With a strong track record of consistent performance, multiple award wins from bodies like Morningstar and CRISIL, and a nationwide network of over 500 branches, the AMC has democratized investing in India. Committed to sustainable growth, ICICIAMC continues to empower millions on their financial journeys, blending global expertise with local insights.

The Asset Management Company (AMC) industry in India is experiencing rapid, structural growth, with Assets Under Management (AUM) projected to reach Rs 150 lakh crore by FY30, driven by accelerating Systematic Investment Plan (SIP) inflows and financialisation of household savings. The sector is heavily influenced by rising per capita income, digital adoption, and expansion into B-30 (Beyond 30) cities. While active equity remains dominant, passive funds and new-age, technology-driven AMCs are rapidly increasing their market share.

Q3FY26 Result Update

ICICI Prudential AMC reported a robust financial performance for Q3FY26, characterized by significant YoY growth in profitability. The company's PAT surged by 45.1% YoY, reaching Rs 917cr. Revenue from operations increased 23.5% YoY to Rs 1515cr. The company's ability to grow revenue faster than expenses (which rose only 8.5% YoY) highlighted strong operating leverage and disciplined cost management. In light of these results, the Board declared an interim dividend of Rs 14.85 per share.

AUM Momentum and Market Share Expansion

The company's Quarterly Average Assets Under Management (QAAUM) crossed a significant milestone, reaching Rs 10.8 lakh crore, representing a 23.2% YoY growth. Actively managed equity and equity-oriented QAAUM stood at Rs 6.1 lakh crore, capturing a market share of 13.8%. The company continues to dominate the equity-oriented hybrid segment with a commanding 26.3% market share. Monthly systematic transactions (SIPs) grew to Rs 5,037 crore in December 2025, up from Rs 4,247 crore a year prior, reflecting deep retail penetration and investor confidence.

Management Guidance and Outlook

- While SEBI's directives on Total Expense Ratio (TER) introduced a 5bps reduction, management expressed confidence in protecting margins by passing costs through the distribution chain and leveraging their lower distributor commission payout ratios.
- The company plans to continue expanding its reach, which already includes 16.17 million unique customers and over 1.12 lakh distribution partners.
- The re-appointment of Mr. Sankaran Naren as Executive Director (through 2028) was highlighted as a key move to ensure continuity in the company's investment philosophy and risk management.
- There is a clear mandate to grow the "Alternates" business (PMS and AIF), which saw QAAUM rise to Rs 75,000cr, as high-net-worth investors seek sophisticated yield-generating products.

Key Risks

- Equity-heavy schemes from ICICI Prudential AMC are highly exposed to stock market fluctuations, and could impact AUM growth as retail inflows often chase high-valuations in mid- and small-cap segments.
- SEBI's potential changes to Total Expense Ratio (TER) caps may pressure the profitability of the Company.
- Continuous under performance of the schemes could lead to high level of redemption.
- Entry of new players in the AMC industry could lead to lower inflows for the company.

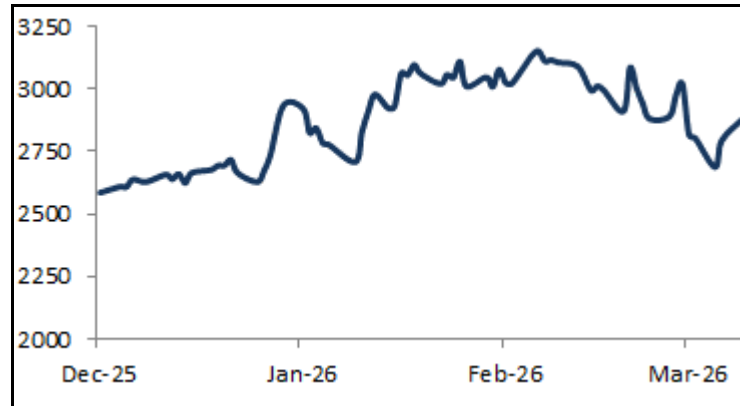
Valuation & Recommendation:

ICICIAMC is a key beneficiary of the structural shift in India's financial savings landscape which has witnessed a sharp expansion in QAAUM growth over the last few years. It has among the widest product bouquet with ~140-150 schemes, leaning towards equity, ensuring it meets the requirement of all investors. It has also built a strong base in in AIF and PMS with QAAUM of ~Rs 73000cr. ICICIAMC has consistently delivered equity yields ~60 bps despite a large equity AUM base, reflecting a strong product mix and pricing discipline. We have envisaged ~22% AUM growth over FY25-FY28. We believe that investors can buy the stock in the band of Rs 2840-2920 and add on dips in Rs 2600-2650 band (26x FY28E EPS) for a base case fair value of Rs 3130 (31x FY28E EPS) and bull case fair value of Rs 3335 (33x FY28E EPS) over the next 4 quarters.

Financial Summary:

Particulars (Rs cr)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	FY25	FY26E	FY27E	FY28E
Operating Income	1515	1227	23.5	1420	6.7	4,683	5,758	6,958	8,270
EBITDA	1140	880	29.7	1047	8.9	3,340	4,220	5,170	6,227
APAT	917	632	45.1	835	9.8	2,651	3,403	4,157	4,995
Diluted EPS (Rs)	18.6	12.8	45.1	16.9	9.8	53.6	68.9	84.1	101.1
RoE-%						82.8	88.8	92.4	95.2
P/E (x)						53.6	41.7	34.2	28.4
EV/EBITDA						42.5	33.5	27.2	22.4

Price chart



HDFC Sec Prime Research Rating description

Green Rating stocks

This rating is given to stocks that represent large and established business having track record of decades and good reputation in the industry. They are industry leaders or have significant market share. They have multiple streams of cash flows and/or strong balance sheet to withstand downturn in economic cycle. These stocks offer moderate returns and at the same time are unlikely to suffer severe drawdown in their stock prices. These stocks can be kept as a part of long term portfolio holding, if so desired. These stocks offer low risk and lower reward and are suitable for beginners. They offer stability to the portfolio.

Yellow Rating stocks

This rating is given to stocks that have strong balance sheet and are from relatively stable industries which are likely to remain relevant for long time and unlikely to be affected much by economic or technological disruptions. These stocks have emerged stronger over time but are yet to reach the level of green rating stocks. They offer medium risk, medium return opportunities. Some of these have the potential to attain green rating over time.

Red Rating stocks

This rating is given to emerging companies which are riskier than their established peers. Their share price tends to be volatile though they offer high growth potential. They are susceptible to severe downturn in their industry or in overall economy. Management of these companies need to prove their mettle in handling cyclicity of their business. If they are successful in navigating challenges, the market rewards their shareholders with handsome gains; otherwise their stock prices can take a severe beating. Overall these stocks offer high risk high return opportunities.

Disclosure:

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